

On September 14 the Congress authorized the President to use all necessary and appropriate force in retaliation for the attacks of September 11. That same day the President began a partial mobilization of our forces for homeland defense, later dubbed "Operation Noble Eagle," with additional Guard and Reservists being called up over the next 2 months. Our response abroad became Operation Enduring Freedom. Upon the ruling Taliban's refusal to cooperate and hand over Osama bin Laden, our military sent a message, one that is being trumpeted by the administration today: if you provide aid and support to terrorists, you will find yourself on the wrong side of a very irate, heroic giant.

On October 7, our aircraft and warships, along with assistance from our allies, began systematically to eliminate suspected terrorist camps, air defense assets, and command and control installations. These attacks continued almost daily, which included the use of Special Forces aircraft such as the AC-130 gunship, providing devastating air-to-ground fire against Taliban military units.

Our Special Forces groups were on the ground early in October, assisting anti-Taliban fighters and calling in air strikes on frontline Taliban units. The dedication of our forces, the overwhelming firepower used, and the assistance of our allies has resulted in every major Taliban stronghold falling into the hands of the anti-Taliban forces.

The Taliban lost the pivotal town of Mazar-I-Sharif, and the capital city of Kabul fell to Northern Alliance forces by mid-November. The last Taliban stronghold in the north, Kunduz, fell by the end of November.

By December 7, despite Taliban promises to "fight to the death," the last major Taliban stronghold fell and remaining Taliban forces fled the city.

Our forces are now working with local fighters to root out the remaining Taliban and al Qaeda forces in the cave complexes in Tora Bora. This is an extraordinary achievement.

The success of Operation Enduring Freedom has enabled the United States to begin reestablishing a diplomatic presence, 12 years absent in Afghanistan, with Marine forces securing the former American embassy in Kabul. During the Taliban's rule, only three countries legitimately recognized the government and have eventually severed their ties.

Now, with Afghanistan under new leadership, several countries, including Britain, Russia, France, and India, are beginning the process of reestablishing diplomatic relations.

As the President has stated, this campaign against terrorism will not be a war of "instant gratification." Though our forces have succeeded in toppling the Taliban and ending its capability both as a military force and ruling authority, we are still engaged in action against remaining forces in

the Afghan mountains. Further actions abroad to root out terrorism may well be necessary.

Our military has performed admirably. Our professional forces continue to demonstrate that they are the best in the world. Sadly, as with any military action, we have suffered casualties.

The success of our forces serves as a warning for those groups and governments that continue to harbor and support terrorism. The demise of the Taliban is an example of the resolve of the United States and the might of its cause. Terrorism and those that support it will no longer be allowed to flourish in this world.

So, today at 8:46 a.m., the President led a memorial to grieve the deaths of more than 3,000 people in suicide hijackings. He vowed to "right this huge wrong." Secretary Rumsfeld, speaking at the Pentagon ceremony said, "We will remember until freedom triumphs over fear, over repression, and long beyond."

Eighty countries around the world are also recognizing this tragedy and renewing commitments.

Mr. Speaker, I too stand here to recognize these events and to also stand here to salute the men and women of our Armed Forces, both at home and abroad, in their extraordinary service and success to this country, to their families, and to our fellow citizens.

PARTISAN VOTING MEANS LOSS OF OPPORTUNITY FOR NEW TRADE ERA

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Oregon (Mr. BLUMENAUER) is recognized during morning hour debates for 5 minutes.

Mr. BLUMENAUER. Mr. Speaker, the December 6 House vote on Presidential Trade Promotion Authority continued a sad string of hard-edge partisan votes since September 11 and the loss of an historic opportunity to move to a new era of trade.

The pattern was established when the leadership took the legitimate need for stabilizing the airline industry and rushed through a program to lavishly reward airlines, but with no consideration of the needs of American workers.

The antiterrorism legislation, produced unanimously by the Committee on the Judiciary in the House, was rejected in favor of a narrow, more partisan alternative that did not even have a hearing. The economic stimulus bill was shoe-horned through by a single vote. Its package of corporate tax breaks, with no connection to investment or economic growth, has been roundly criticized by liberals and conservatives alike. Even legislation to stabilize the insurance industry was hijacked by other ideological and political agendas.

The trade promotion legislation fell victim to this same treatment when

the House Republican leadership prevented any effort to resolve other legitimate concerns, with the active support, sadly, of the Bush administration, instead focusing on advancing partisan political objectives.

The President could have openly repudiated the partisan ideological posturing here in Congress. He could have demanded and would have been given a bipartisan bill with broad support that would have helped place trade promotion above the political fray. That would have placed, in a stressful time for the country and our economy, a majority of the House of Representatives, like the majority of Americans, in a position to give benefit of the doubt to the President, as they have done repeatedly since September 11. The President could have achieved this objective by making modest adjustments to the trade legislation.

The concern about disadvantage to American workers, with the extension of NAFTA to the entire western hemisphere, could have been answered by making a principal trade objective adherence to, and enforcement of, the International Labor Organization's core labor standards, which all of these countries say they support. To the fear that chapter XI investor protections under NAFTA put foreign investors in a superior position to undermine American environmental protections, a simple answer would have been to mandate that no foreign investor be given a superior position to American companies, and the House would have gone along.

Finally, we could have made provisions for the continued enforceability of environmental treaties. When both parties to trade disputes are signatories, we can insist that these agreements' provisions being enforced is not an unfair trade barrier.

These three simple changes, together with meaningful assistance to the financially distressed and unemployment, that were promised months ago and have yet to be meaningfully delivered, would have produced a comfortable margin of votes from Democrats and Republicans alike. Instead, the administration chose to wheel and deal in ways that will only become clear from careful observation and good journalism. It is bad enough that the price of passing poor trade legislation might be funding for unnecessary public works projects.

What is worse is that the administration and the Republican leadership abandoned their commitment to free trade in the poorest of countries by gutting the Caribbean Basin Initiative. This hard-fought trademark legislation was a proud bipartisan achievement that would have helped some of the poorest and most distressed countries. We are now jettisoning our principles, denying hundreds of millions of the world's poorest citizens the power of trade benefits.

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Of course, we await to learn the concessions, not just to citrus growers but

to the whole tired American agricultural regime. Our current policy works to the detriment of most American farmers and the taxpayers and undercuts our ability at the bargaining table to open up foreign markets to American agriculture.

It is not too late for the President to restore integrity to our trade negotiations by abandoning these narrow, ideological partisan approaches. The Senate can easily make this a better bill by jettisoning the trade-corrupting provisions, letting the legislative process work, and listening to the critics who have legitimate concerns.

We are not going to end the debates on the role of globalization and trade policy; but by addressing these legitimate concerns, we can narrow the debate and enable the administration to pursue the policies that United States Trade Representative Zoellick sincerely wants to achieve, I believe.

Given the right bill, we will not be held hostage to narrow special interests at home while we make the poorest of countries pay the price for our lack of political leadership and policy clarity.

SOCIAL SECURITY SOLVENCY

The SPEAKER pro tempore (Mr. OTTER). Under the Speaker's announced policy of January 3, 2001, the gentleman from Michigan (Mr. SMITH) is recognized during morning hour debates for 5 minutes.

Mr. SMITH of Michigan. Mr. Speaker, I just returned from the Presidential Commission on Social Security meeting. This morning they released their plan that they will be reviewing and presenting to the President on the 21st of this month.

They presented three proposals. Earlier this year, I encouraged the commission to come to agreement on one proposal. I am somewhat concerned, with three proposals, that we end up bickering in this Chamber about the advantages and disadvantages of each proposal and use it as an excuse to do nothing. It would have been much better if the commission had developed one proposal.

Briefly, the three proposals allow optional, worker owned investments.

The first proposal allows an investment of 2 percent of our taxable income and then offsets future Social Security benefits to the extent and with the assumption that that investment in private accounts will accumulate 3.5 percent return on investment. So they assume that that is 3.5 percent, and deduct that compounded earnings value from future benefits.

The second proposal allows 4 percent of taxable income, not to exceed \$1,000 a year, but provides that they are only assuming 2 percent return on that proposal to determine reductions in future benefits. Investments would be limited to safe investments, and all plans are optional. Everything that our personal account would accrue above the 2 per-

cent would be an increase in ultimate retirement benefits.

These plans are especially beneficial for those individuals under 40 years of age that have a period of time for the magic of compound interest to work.

The third proposal is based on the premise that it is important to resolve Social Security, but it is more important to keep promised benefits. So it appears that it would take a tremendous amount of financing from other sources other than the payroll tax to accommodate that particular proposal.

Mr. Speaker, earlier this year I told the commission that I was concerned that they must do a better job communicating to the American people the predicament that Social Security now finds itself in. Social Security is insolvent.

We know how many people there are and when they are going to retire. We know that people will live longer in retirement. We know how much they will pay in and how much they will take out. We also know that payroll taxes will not cover benefits, starting in 2015, and that the shortfalls will add up to \$120 trillion in the 75 years following 2015.

Today's value of that shortfall is a little over \$9 trillion. This graph simply represents our short-term benefit, because we have been increasing taxes, payroll taxes. Every time Social Security was in trouble, we would increase the taxes. So in the short run, until 2015, 2016, 2017, someplace in those years, there is more money coming in than we need. But after that, the red portion of this graph represents the \$120 trillion that will be needed in addition to Social Security taxes. Something needs to be done if we are going to keep this most important program secure and solvent.

A lot of people have said that the economic growth will fix Social Security. That is not true, because as wages increase, so do the benefits. So increasing the economy of this country with more jobs and more benefits in the long run simply results in a greater requirement for payouts. When the economy grows, workers pay more in taxes, but they are going to get it out. Growth makes the number look better now, but leaves a larger hole later.

I think this Social Security Commission has done a service by at least laying out three proposals, all of which eventually will add to the solvency of Social Security. The question is, do we want to allow some privately owned account for private investments?

This is a graph that I made up just to show what has happened in the last 100 years in terms of the returns of stock investments. We see the ups and downs, but the average over the last 100 years is 6.7 percent. That compares to about 1.7 percent that the average retiree is going to receive as a return on the money they and their employer put into Social Security for them.

So, that is the problem: there is not a very good return on your Social Se-

curity taxes. It is not a good investment. Everybody, on average, that is working now and paying in can expect at retirement time the equivalent of a 1.7 percent return.

I would like to conclude by congratulating the commission for their work. I will help increase a understanding by the American people that there is a huge problem. We have come a long way since my first Social Security bill in 1994. I hope this report is the kind of stimulus and catalyst that will allow this Chamber to move forward to assure that we save Social Security.

AN ALTERNATIVE PLAN TO PRIVATIZATION TO SECURE SOCIAL SECURITY FOR THE FUTURE

The SPEAKER pro tempore. Under the Speaker's announced policy of January 3, 2001, the gentleman from Oregon (Mr. DEFAZIO) is recognized during morning hour debates for 5 minutes.

Mr. DEFAZIO. Mr. Speaker, responding to the gentleman that preceded me, I agree that there is a problem with Social Security, and it is something that this House and this administration should deal with. We do agree there.

However, the problem is a little different than described. In the year 2016, Social Security will get to the point where the income, it is true, will not equal benefits; but it will begin only to draw on the interest on its accumulated trust funds.

Now, we either have assets in Social Security, because we are paying much more in taxes today and accumulating trust funds, or we do not. There is some disagreement over whether Federal Treasury notes deposited for Social Security constitute real assets. In fact, the Secretary of the Treasury went so far as to say that there are no real economic assets in the trust fund, only obligations, the full faith and credit of the Federal Government of the United States of America, which the last time I checked was the safest investment in the world.

So from 2016 to 2025, we will only spend down interest. In 2025, just like someone in retirement, then the government would begin to redeem the bonds, the investments, the principle. And yes, in 2038, there will be a real problem. In 2038, Social Security will only have income sufficient to pay 70 percent of promised benefits. So starting in 37 years, we have a 30 percent problem.

Now, the question becomes, do we destroy the entire existing system, which benefits more than 40 million Americans today and many more millions in the future, or do we adjust it a little bit, especially with 37 years lead time?

There are three ways to do it:

First, we can increase the income, which either means some different kind of investments other than Federal debt; or we can increase taxes, which has been ruled out by this administration.